

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

MAR 2 7 1980

U. S. Department of Commerce
National Bureau of Standards
ATTN: Dr. R. P. Bartlett
Director, Administrative
and Information Services
Washington, D. C. 20234

Gentlemen:

Subject: Inspection 70-398/80-02

This refers to the inspection conducted by Mr. J. Roth of this office on February 27-29, 1980 at Gaithersburg, Maryland of activities authorized by NRC License No. SNM-362 and to the discussions of our findings held by Mr. Roth with Mr. Bell and other members of your staff at the conclusion of the inspection, and to a subsequent telephone discussion between Mr. T. Hobbs and Mr. Roth on March 19, 1980.

During this inspection, the inspector examined those activities conducted under your licenses relating to the subject covered in IE Bulletin 79-19 dated August 10, 1979 which are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. This item of noncompliance has been categorized into the levels as described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

In addition, it appears that certain aspects of training for your employees were not conducted as required in IE Bulletin 79-19. These aspects are described in detail in the enclosed inspection report. Please submit to this office, along with your reply to the identified noncompliance item, a written statement in reply including (1) the type of training to be conducted; and (2) the date when this training will be completed.

MAR 2 7 1980

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must be accompanied by an affidavit executed by the owner of the information, which identifies the document or part sought to be withheld, and which contains a statement of reasons which addresses with specificity the items which will be considered by the Commission as listed in subparagraph (b) (4) of Section 2.790. The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

George H. Smith, Chief

Fuel Facility and Materials Safety

Branch

Enclosures:

1. Appendix A, Notice of Violation

 Office of Inspection and Enforcement Inspection Report Number 70-398/80-02